

**STATE OF NORTH CAROLINA
COUNTY OF AVERY**

The Avery County Board of Commissioners met in a Joint Meeting with the Avery County Board of Education on Thursday, March 6, 2008 at 4:30 p.m. in the Commissioners Board Room, Avery County Administrative Complex, Newland, N.C.

Members Present: Kenny Poteat, Chairman; Susan Pittman, Vice-Chair; Phyllis Forbes; Scott Heath; Dan South

Members Absent: None.

Board of Education: Peck Taylor, Chairman; Marti Barinowski, Marty Dellinger, Phillip Shomaker, Grace Calhoun, Superintendent; Jeff Jaynes, Diane Jaynes, Danny Clark, Leslie Laws

Call to Order

Both Boards were called to order by their Chairman at 4:35 p.m.

Water Storage Tank at Avery Middle School

Keith Hoilman, Public Works Director of Newland, came before both Boards explaining to the Boards that the Town of Newland had received a grant for \$290,000 to dig a well but that the Town of Newland wanted to partnership with the Board of Commissioners and Board of Education to develop a water storage system behind the Avery Middle School that would provide water for the students at the Avery Middle School and Avery High School and provide fire protection for both the schools. Keith Hoilman stated that the preliminary cost estimated was around \$520,000 and the biggest cost would be laying the waterline. Mr. Hoilman also stated that the water storage tank would give the Town of Newland more pressure on that side of town but the biggest benefit would be providing fire protection for the Avery Middle School and Avery High School. Mr. Hoilman advised that the Town of Newland was in a time constraint with this grant and they did not want to lose the grant. Brenda Pittman stated that there would need to be a commitment of both Boards very soon so the Town of Newland would not lose the grant. Grace Calhoun, Superintendent of Avery County Schools, stated that one of the benefits that the Town of Newland would give the school system is in-town rates for the water bill. Ms. Calhoun also stated that the Town of Newland would waive the tap-off fee. Ms. Calhoun advised that the Board of Education did not have any money for capital improvements to help with the water storage tank. Ms. Calhoun stated that representatives from the Town of Newland and Ms. Calhoun discussed that the Department of Transportation could be asked to partner with the School Board; with the School Board giving the land for the water storage tank and the Board of Commissioners giving the funds to match the grant money. Ms. Calhoun advised that the water storage tank would provide the fire protection that Avery Middle and Avery High School needed and would also eliminate the water testing that was being done on the well water. Ms. Calhoun stated that the School Board would have to agree to deed the land for the water storage tank which is a requirement of the grant; this would require $\frac{1}{2}$ to $\frac{3}{4}$ acre of land. Peck Taylor questioned if Mr. Hoilman had seen the land for the water storage tank and Mr. Hoilman advised that the water storage tank would be at the very end of the property and the Town of Newland would maintain the driveway to the water storage tank.

Chairman Poteat stated that both Boards needed to discuss this project further collectively and individually. Chairman Poteat questioned Ms. Pittman if a month from now would be too late. Chairman Poteat stated the Boards did not want to jeopardize the Town of Newland's grant money. Phillip Shomaker, Board of Education member, advised that the Boards needed to think very carefully through this project before making any decisions. Further discussion regarding the water storage tank. Peck Taylor, Chairman Board of Education stated that it would be March 17th before the Board of Education can talk about it or make a decision. Chairman Poteat advised Ms. Pittman that the Board of Commissioners did not want Newland to lose or jeopardize the grant and that there would be no decision at this meeting.

Dan South advised he would encourage both Boards to look at this project and not be so bureaucratic. Mr. South questioned what would happen if the well at the Avery High School would fail and how much would it cost to dig a new well. Danny Clark, Director of Auxiliary Services for Avery County Schools, stated that he was very much in favor of this project because if the well at the Avery High School failed there would be no way of digging a well at Avery High School because there would need to be 100 foot radius and there is no where to dig the well. Mr. Clark stated that the well is grandfathered in at this time. Dan South reiterated that the Boards need to look at this project and not put this project off and that the Boards needed to be forward thinking and planning for the future. Scott Heath questioned if Mr. Hoilman could give a "ballpark figure" as to just running the lines and the school systems tapping on to Newland's water. Mr. Hoilman advised that there would not be enough water pressure to do this and there would have to be a water storage tank anyway.

Chairman Poteat questioned if the cost projection included the hydrants. Mr. Hoilman stated that the cost projection does include 6 hydrants and the Town of Newland would work with the Fire Commission to place the hydrants near the schools and the cost projection also includes connecting the two schools to the system. Ms. Pittman stated that the costs of \$500,000 to \$520,000 was very close and the Town of Newland would not be coming back asking for \$100,000 more.

Further discussion regarding the water storage tank.

Keith Hoilman stated he would get information for the School Board and the County Manager on cost savings with this project.

School Fund Raisers County Wide

Grace Calhoun advised that Mr. Boyd McCloud came before the Board of Education stating that he had an idea how the school field trips could be paid for. Ms. Calhoun advised Mr. McCloud's idea was for the principals of each school to put in a request for their schools field trips and the Board of Education would pay for all field trips. Ms. Calhoun explained to Mr. McCloud that it would be wonderful if the Board of Education had the money. Ms. Calhoun further explained that the Board of Commissioners gives the School Board an amount of money and asks the School Board to prioritize according to the needs of the schools.

Boyd McCloud came before the two Boards explaining that the fund raisers were getting out of hand and that the citizens are getting worn out with all the fund raisers. Mr. McCloud stated that the people he had talked with wanted to know why taxes could not be raised to pay for these field trips. Mr. McCloud reiterated what he had said to the School Board to let the schools send in their requests and the County pay for all of the field trips or at least a portion of the field trips.

Discussion regarding fund raising in the schools.

Chairman Poteat stated that if the School Board wanted to research the approximate amount of money and present it in the School Boards budget that the Board of Commissioners will take a look at that.

Phyllis Forbes stated that she felt like it would be a good idea to limit the field trips.

Land Transfer Tax

Ms. Calhoun stated at the last joint meeting the Land Transfer Tax was talked about and whether or not the Land Transfer Tax could be done and it was decided at that time not to put the Land Transfer Tax on the primary ballot in May. The County Manager advised that at a recent retreat of the Board of Commissioners it was the consensus of the Board that of the options for revenue, the Board chose the Land Transfer Tax. The County Manager stated that at the retreat it was the feeling of the Board to pursue the Land Transfer Tax and to have this on a special ballot in the foreseeable future and to educate the public vigorously before there was a vote on the Land Transfer Tax. The County Manager stated it would take a concerted effort with the Board of Commissioners, Board of Education and others that had a stake in the Land Transfer Tax. The County Manager advised that gifts and inheritance are exempt from the Land Transfer Tax. Chairman Poteat stated that the Board of Commissioners wanted to partner with the Board of Education and most definitely earmark money for education from the Land Transfer Tax.

Medicare Tax Update

Jeff Jaynes, Finance Officer for Board of Education, came before the Board of Commissioners wanting to know where the County stood with regards to the Medicare Tax Law that was passed recently. Mr. Jaynes advised that the amount of money that has been distributed to the Public School Capital Fund has been decreased substantially. As of February 2008, the state has withheld \$46,647 that would have normally been distributed to the Capital Fund account which goes for construction projects. Mr. Jaynes advised that the law states that any funds that are withheld the County is to provide to the school system these funds for construction projects. Tim Greene, Avery County Finance Officer, advised that the Department of Revenue sometime in March 2008 is supposed to give the County 90% of the money. The Finance Officer recommended that as soon as that money came in to put the money in the Capital Reserve Fund for the construction on the Banner Elk School. The Finance Officer stated the money would have to be used on the same things that the ADM funds are used on such as construction projects. Ms. Calhoun stated that the current year the County would get 25% reimbursement for Medicare, next year 2008-2009 would be 50%, and the 2009-2010 would be 100% that the State would take over and the funds would revert back to the County with the understanding that with the ADM part, the school systems would benefit from that as well and the County is proposing that when those revenues do materialize that the funds be earmarked for the new Banner Elk School. The Finance Officer advised it would be just this year because this is the only year the State is reducing the ADM funds. The State is reducing the Medicare burden and how the State is going to get some of that money back is to reduce the County's Article 44 which is a ½% local sales tax and next year the State will take half of that but the State will take half of the Medicare burden off of the County and the following year the State will take all of the Medicare burden away and take the rest of the Article 44 away. The Finance Officer stated for this fiscal year whatever didn't go into the ADM fund that the County needed to earmark that specifically for the new Banner Elk School or another school project. The Finance Officer advised that the ADM money is going to be less this year because corporate income taxes are down but whatever the State says this was what was withheld out of that money the County would earmark that amount of money to whatever the Board says toward the schools.

Recess

Brief recess at this time.

Little League Ball Fields

Dan South stated that the Avery Middle School and Cranberry Middle School are both playing their softball games on the new ball fields. Mr. South advised that the County had been gracious enough to help pay for the lights and the Little League was still indebted approximately \$40,000. Mr. South stated he wanted the Board of Ed. to be aware that the fields are now available to the schools. Mr. South stated if and when new schools are built there needed to be plans for sports facilities on school grounds. Mr. Peck Taylor thanked Mr. South and the Little League for the use of the ball fields.

Track and Turf Installation at Avery High School

Chairman Poteat stated the Boards had been having ongoing conversation regarding the Track and Turf Installation at Avery High School. Danny Clark, Director of Auxiliary Services, gave a handout to the Board of Commissioners regarding the estimate for the Track and Turf Installation. Mr. Clark stated there were 5 contractors interested in this project. The bids for the Track and Turf Installation will be opened at 2:00 p.m. on March 13, 2008. Mr. Clark stated the bottom line estimates is around \$860,000 which includes curbing, fabric, asphalt on the track, latex surfaces on the track and the artificial turf. The County Manager questioned if the grooming machine was included in the \$766,831. Mr. Clark stated that the machines would be included in the sports equipment line item. Tim Greene, Finance Officer, gave a handout to both Boards. Chairman Poteat stated that when this project began it was not the Board of Ed. that came before the Board of Commissioners but friends of sports, i.e., coaches and ballplayers. The Board of Commissioners at that time, which was not the same board as now, made a commitment. Chairman Poteat advised, after researching the minutes, there was never a formal motion made to put a certain amount of dollars into the Track and Turf Project. Chairman Poteat stated the Track and Turf was projected at much less than the \$760,000. The County Manager stated there was an invoice for \$10,000 for surveying. Chairman Poteat advised that it is the opinion of the Board of Commissioners the limit for the funding from the County would be \$760,000 and no more. The County Manager advised there were a few options; the County can budget the shortfall in next year's budget; or, the Board of Education can pick up the slack.

Peck Taylor stated that the Track and Turf Project was something that was "thrown at the Board of Education". Mr. Taylor advised that the Board of Education would have used this money in different areas if that money had been allotted to the Board of Education. Mr. Taylor stated there is no way that the Board of Education can pay the approximately \$100,000 over the \$760,000 committed by the County. Chairman Poteat reiterated the commitment from the County Commissioners was \$760,000 and that was all.

Scott Heath questioned the life expectancy of the turf. Mr. Clark stated it was approximately 10-12 years. Scott Heath also questioned if perhaps there would be an option of doing just the track and just upgrading what turf is there. Mr. Clark stated that there would be bidding on the line items. Chairman Poteat advised the main thing now is to wait on the bids which will be next Thursday, March 17, 2008 at 2:00 p.m. and then go from there.

New Banner Elk School Timeline Update

Chairman Poteat stated that the Board of Commissioners was going to be very candid and very honest regarding the new Banner Elk School. Chairman Poteat advised the Board was still committed to building a new Banner Elk School and that the students at Banner Elk most definitely deserved a new school. Mr. Ken Townsend, principal at Banner Elk School, stated the current enrollment at Banner Elk School was 168 students. Chairman Poteat advised it is not the responsibility of the County to build a school large enough to accommodate communities that might be a part of the school so a decision needed to be made regarding the amount of students and whether or not Beech Mountain would be a part of the new Banner Elk School. Chairman Poteat stated the County would build a school to meet the needs that the Board of Ed. determined the needs to be.

A handout was given to the Board of Commissioners regarding the proposed timeline of the Banner Elk School. Jeff Jaynes stated that hopefully by the 11th of April an architect would be chosen. Mr. Jaynes stated that a school improvement committee met with Mr. Townsend and it was determined 250 students would be a fair number for this school and the design must include the ability to build on to the school. Mr. Jaynes stated the projected cost for the new Banner Elk School is \$7.4 million.

Scott Heath stated that every student deserved a new facility and that Beech Mountain and Banner Elk Schools were in desperate need of new schools. Mr. Heath questioned the Board of Ed. what their plan for Beech Mountain School would be. Ms. Calhoun stated that the Beech Mountain School would be open for the upcoming school year and then let that decision be made by the incoming Board of Ed. and the new Superintendent. Ms. Calhoun stated if the 7th and 8th grades were taken out of Beech Mountain School and sent to Cranberry Middle School there would only be approximately 30-40 students at Beech Mountain and the school would eventually close itself. Ms. Calhoun advised she felt the community of Beech Mountain would support the students going to the new school if the community had the assurance that the old Beech Mountain School could be used as a community center.

Discussion regarding school facilities and redistricting. Dan South stated that the comment regarding leaving the redistricting to the new Board of Ed. and new superintendent caused him concern. Mr. South advised that his concern is that if this Board of Ed. makes a decision to build a new school and the next Board of Ed comes in and changes then wouldn't it be better to wait for a few months until the new Board of Ed. and new superintendent came in and see what their decisions are. Mr. South stated he agreed 100% that the students at Banner Elk needed to be in a new school and the students at Beech Mountain needed to be in a new school. Mr. South advised that the Board of Ed. is asking for a new school for 250 students but if the two schools are combined that would only be 217 students so why build for 30 more students.

Further discussion regarding the new Banner Elk School.

Chairman Poteat stated in his opinion that it is the charge of the Board of Commissioners to fund schools but it is the Board of Education's decision to what the schools needs are, what community deserves a school and what the feeder groups for the schools would be. Chairman Poteat reiterated that there would be a new school in Banner Elk.

Chairman Poteat stated, in his opinion, as the Board of Ed. goes to the architects April 11th that there would be consideration taken concerning the number of students because this would help the Board of Commissioners in trying to fund this project. Chairman Poteat stated personally he felt it would behoove the Board of Ed. to take action now so the Boards can get some things in place before another Board of Ed. overturns the decisions. Chairman Poteat respectfully asked that the Board of Ed. look at a smaller number of students than 250 but if it must be 250 students than "so be it".

The County Manager asked when the Board of Education talked with the architect of choice to see if it would be possible to design and develop the school and necessary playgrounds, egress and ingress without utilizing the property that lies Northeast to the creek. The County Manager stated that he thought it would be good for the County to retain title to that piece of property for future development.

Budget Planning 2009 Fiscal Year

Handout given to the Board of Commissioners with the Capital Outlays Request for 2008/2009 from the Board of Education. Ms. Calhoun stated that this was just a rough copy; it has not yet been prioritized. Ms. Calhoun stated that the highest priority on the capital outlay budget is the steps at Avery High School. The Finance Officer advised that in the past the way the Board of Education has been funded is the Board of Ed. prioritizes the list and the County allocates the money as far as it will go toward the list until the money runs out.

The County Manager thanked the Board of Education for their cooperation that they have shown with regards to the EMS Station at Riverside School.

Peck Taylor thanked the Board of Commissioners for their support of the Board of Education and school systems and the youth in this County.

Dan South announced that April 15th the Avery JROTC would be inspected by Fort Bragg, North Carolina and he invited both Boards to come at 8:00 a.m. at the Avery High School.

Motion by Marti Barinowski and second by Marty Dellinger to adjourn the joint meeting of the Board of Education and Board of Commissioners at 7:40 pm. Motion unanimously approved.

Motion by Scott Heath and second by Susan Pittman to adjourn the Joint Meeting of the Board of Education and Board of Commissioners at 7:40 p.m. Motion unanimously approved.

**Kenny Poteat, Chairman
Avery County Board of Commissioners**

ATTEST: _____
Cindy Turbyfill, Clerk to the Board